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Trial Affidavit of Maureen Coneys

**UNITED STATES DISTRICT COURT
DISTRICT OF MASSACHUSETTS**

IN RE PHARMACEUTICAL INDUSTRY
AVERAGE WHOLESALE PRICE LITIGATION

MDL No. 1456

THIS DOCUMENT RELATES TO:
ALL CLASS ACTIONS

CIVIL ACTION: 01-CV-12257-PBS

Judge Patti B. Saris

TRIAL AFFIDAVIT OF MAUREEN CONEYS

I, Maureen Coneys, pursuant to 28 U.S.C. § 1746, on oath, depose and state as follows:

1. I am a resident of the Commonwealth of Massachusetts. I have personal knowledge of the facts stated below, would so testify in court if called upon to do so, and am competent to provide testimony.
2. I am currently employed at Blue Cross Blue Shield of Massachusetts ("BCBSMA") as Senior Vice President, Health and Wellness in Health Care Services. I have been employed by BCBSMA or one of its subsidiaries in various capacities since 1989.
3. My current responsibilities include the development and implementation of health care management programs.
4. From 1988 until 1991 I was the Executive Director of Medical East Community Health Plan ("Medical East"). Medical East's main administrative offices were located in Braintree, Massachusetts.
5. Medical East was a health maintenance organization ("HMO") that provided health care to certain BCBSMA members. Medical East was one division of a larger corporate entity known as Medical West Community Health Plan, Inc. ("Medical West Inc.") which comprised Medical

East and Medical West Community Health Plan (“Medical West”), which served BCBSMA members in the eastern and western parts of Massachusetts, respectively. Medical West Inc. was a wholly owned subsidiary of BCBSMA.

6. Medical West Inc. was what is commonly referred to as “staff-model HMO.” That is, all of the employees of Medical East and Medical West, including all administrative staff, physicians and other health care providers were employees of Medical West Inc. Certain insureds, usually depending on the product that was purchased by their employer to cover employees, received their medical care through the facilities and from the health care providers employed directly by Medical West Inc. Medical West Inc. did contract with some providers for specialty services who were not employees.

7. While I do not recall what percentage of BCBSMA’s total membership received health care services through one of the Medical West Inc. health centers, I do recall that it was a relatively small percentage.

8. Included in the larger Medical West Inc. health centers was an in-house pharmacy that would dispense prescription drugs to BCBSMA members as well as provide physician administered drugs to Medical West Inc. physicians to administer to patients.

9. As Executive Director of Medical East, I was responsible for overseeing all of the non-medical staff at the various Medical East health centers. These responsibilities included community relations, physician contracting, staff recruitment and development, facilities management, and financial planning.

10. Medical West Inc.’s financial operations, including contracting for medical supplies, were performed in a central location. Any contracting for the acquisition of physician

administered drugs to be used in Medical West Inc. health centers would have been done on a centralized basis by Medical West Inc. employees.

11. In my experience, employees of Medical West Inc. did not interact with those BCBSMA corporate employees who were responsible for negotiating contracts between BCBSMA and independent physicians and physician groups or those BCBSMA employees who would have determined reimbursement policies for physician administered drugs under such contracts. The prices paid by Medical West Inc. for physician administered drugs were not the type of information that would have typically been made available to BCBMA employees nor would BCBSMA employees typically have sought such information from Medical West Inc. To my knowledge such information was never exchanged between these separate corporate entities.

12. In addition to being corporately separate, Medical West Inc. employees were physically separate from BCBSMA employees. Medical West Inc.'s offices were at different times located at various places in Framingham and Hingham, Massachusetts. BCBSMA's corporate headquarters was in Boston. BCBSMA's provider contracting function was always sited within corporate headquarters.

13. To my knowledge, BCBSMA ceased its staff model HMO operations in 1996 and the health centers associated with Medical West, Inc. were sold to an entity unrelated to BCBSMA in late 1996.

I make the foregoing statement under penalty of perjury on the date written next to my name below.

October 26, 2006


Maureen Coneys

